App. F. IX-4

Previous References

1934.5

File No. 16-34

Serial Nos. 1-3

Land

L. & M.

preserve

P.22(E)

Later References.

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. Three.

Part B for Land. M.

SUBJECT.

Debentures of Land-mortgage bank

WD 01965—GPB—15,000—7-7-34

Regd. C.J.

Complete Ptn. sent to Rev. Commr. President Land Bank

Serial No. 1

From the Regr of Cs.

No. 41/43 Cs dt 15/11/34

States that the L.H. Bank has so far obtained applications for the Second Series of Debentures of the total value of Rs 30,500 and that if the Bank gets a premium of 5%. it may issue Rs 20000 more at 4% free of income tax & recommends that Rs 2 lakhs out of the Second Series of debentures sanctioned be cancelled and a new series for Rs 2 lakhs issued at 4%

It is proposed to cancel the issue of Rs 2 lakhs out of Rs 2½ lakhs sanctioned to be ~~issued~~ as the Second Series of Debentures, and to issue a new series of Rs 2 lakhs at 4%. The Object is to gain a substantial reduction in the rate of interest. If the public response is not satisfactory, it is suggested that Govt. should invest 1 lakh of Rupees in this series and or raise the interest slightly -

Submd for orders. The H. Secretary may perhaps be consulted.

2920/24/11

No RP 23/11 Dew. Secy.

H. Secy with enqy

Dcs 23/11/34

HHW 1.12.34.

7/12/34

1131

Portion A in the Regr's letter may be approved -

7/12

28/12/34.

NOTE—Contn. Sheet.

WD 0195—GPB—22,500—12-6-34

Debentures of the Land Mortgage Bank

LM File No. 16 ~~of 1934-35~~ General and Revenue Secretariat

Memorandum ~~submitted~~ ~~herewith~~

~~herewith~~ 10.12.34

From the Registrar of Co.

No: 4759-B. 8.12.1934

In cont: of Sl 1 forward the requests of the L. M. Bank, modifying the ~~Co-op~~ proposals already made in Sl 1 and requests sanction for the fresh proposals.

The Bank now proposes to issue the new series of the value of Rs 4 lakhs instead of Rs 2 lakhs, and it is suggested that Govt. should take up debentures of the value of Rs 1,80,200/- at 4% bringing in total subscriptions to the debenture to Rs 2 lakhs as originally promised by Govt.

The Bank also seeks sanction of the ~~Govt~~ interest on the cash credit of Rs 500-00, sanctioned to them from 4½% to 4%.

Since these proposals modify the original proposals to ~~a~~ a fair extent, financial ~~sanction~~ sanction may perhaps be obtained ~~finish~~ finish. ~~before finish~~ ~~to the Constitution of the act~~

~~Govt~~ Dev. Secy. 12/12/1934

Financial Secy
with compliments

Dep Secy 12/12/34

17.12.34

Dep Secy

17.12.34

3437

Fe 12/14

14/12/34

Serial No.

Je 1214

OFFICE OF THE
28 DEC 1934
5120

A. May be agreed to.

B. The reduction in the rate of interest on the cash credit to 4% cannot be agreed to. The present rate, viz., 4½% is low when compared to the interest charged in other cases. Interest at 5% is charged on the cash credit loan allowed to the Apex Bank for financing House Building Societies.

21/12

88
21.12.34

Mayaram's subject note
modification suggested H. Secy
for Member
Dewan

21.12.34

I agree —
the remaining portion of the 2½% deduction
should be cancelled — The L. M. Bank
receiving mogat 4% should receive
leaving rate to be about 6%. (Exact rate
to be discussed Regr with the Bank)

by
27/12

27-12-34

28.12.34

OFFICE
1934
No. 3542

NOTE—Contu. Sheet.

WD 01955—GPB—22,500—12-6-34

Draft
28/12/34

M. File No. 16 of 1934. | General and Revenue Secretariat

Draft noted

KD 2/1

Put up the file leading to the G.O. of 11.4.1930

L.M. File no. 21929 is put up 3/4/35

Type as revised

Revised typed draft noted 8/1/35

10/1/35

Draft for approval

Dev Secy) KD 10.1.35

MW 15-1-35

Issue

7571/35

8. JAN 1935 GENL & REV

4025/ 11-1-35

TYPING & DESPATCH 4.50 PM 16. JAN 1935 GENL & REV

The G.O. is according to the Secy's observations in Draft and fair typed.

H. conv. 1094

21/1

Issue

22/1/35.

Issued

G.O. no D 4 & 35-38/L.M. 16-843-07-687/1/35

Sanction under certain conditions for the third series of Deleuds of the L.M. Bk to the extent of Rs 24/- lakhs.

B

HT 3

G.R.S. III—3]

Routine Notes.

L - III (16-36) 2

[To be used only for notes, requisitions, etc., not intended for permanent record].

D no 2815

The main file on this subject has been mvd. to the H. Secy. vide D. no 2375 on 3.12.36. May this be sent in Confirmation

for KP

4/12/36

V.B.—*Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.*

G. R. S. VII.—s-1/1.

PROCEEDINGS OF THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

READ—

Letter No.....dated.....

from the Revenue Commissioner in Mysore, submitting

for sanction a bill for.....

... .

being the charge allowance claimed by.....

.....for having been in

charge of.....in

addition to his own duties from.....

during the absence of the.....

ORDER THEREON :—No.....

DATED *Bangalore, the*.....191

A charge allowance at 10 per cent on the pay of.....

....

is sanctioned and the bill forwarded to the Comptroller for audit.

Secretary to Government.

To

The Revenue Commissioner,
returning the original enclosures.
The Comptroller to Government with the bill.

WD 02201-GPE—500-6-1-17

LM-16-2475

No 4143 C.S.

GOVERNMENT OF MYSORE.

DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

Telegraphic Address: "CO-OPERT" BANGALORE

Dated, Bangalore, 15 November 1933.

From

GULAM MOHADIN MEHKRI, ESQ., B.A., LL.B.,
Registrar of Co-operative Societies in Mysore,
BANGALORE.

To

M. Venkatanaranappa, Esq., B.A.,
Secretary to the Government of Mysore,
Development Department, Bangalore.

Sir,

Adverting to Government Order No.D.2624-27/L.M.2-33-7 dated 30th November 1933 sanctioning the floatation of a second series of Debentures for a total sum of Rs.2½ lakhs by the Land Mortgage Bank, carrying interest at 4½ per cent per annum free of income-tax, I have the honour to state that the Bank has, it is reported so far obtained applications for Debentures of the total value of Rs.30,500 in this Series and that the Bank has asked some Brokers to intimate what premium they would offer, if further debentures of the value of Rs.20,000 are to be issued. If the Bank could get a premium of 5%, it would be possible to issue new debentures at par at 4% free of income tax.

As it is the object of Government and the Bank to lend out money to the ultimate borrower at the lowest possible rate of interest, I think, this is a very favourable opportunity to reduce the rate of interest from 4½ % to 4 %. I therefore recommend that 2 Lakhs out of the Second Series of debentures sanctioned be cancelled, and a new Series for 2 Lakhs issued at 4%.

If the debentures are not taken up by the public readily, it may become necessary for Government to invest about a lakh of rupees in this Series or the rate of interest raised slightly if necessary to attract public capital.

I may add here, that I have consulted the President of the Land Mortgage Bank who thinks, that this could be done, if he could secure a premium of 5%. If the floatation of the 3rd Series at 4% as suggested by me, is successful, I will request the Bank to reduce their rate of interest by at

P.T.O.

at least half a per cent from 7 per cent to 6½ per cent.

I have the honour to be,
Sir,
Your most obedient servant,

W. S. Lee

Registrar. 4/11

T. S. 14/11.

L.M. 16-34-2

3

GOVERNMENT OF MYSORE.

No 4759 C.S.

Send me

Telegraphic Address: 'CO-OPERT' BANGALORE

DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

Dated, Bangalore, 8/12/1934

2915

From

GULAM MOHADIN MEHKRI, ESQ., B.A., LL.B.,
Registrar of Co-operative Societies in Mysore,
BANGALORE.

SECRETARIAT 10 DEC. 1934 DEVELOPMENT BRANCH.

To

The Secretary to Government,
Development Department, BANGALORE.

Sir,

Subject: Debentures of the Mysore Co-operative Land Mortgage Bank, Ltd., -- III Series.

D.No 2375 of 1934-35

In continuation of my letter No.4143 CS dated 15th November 1934 on the above subject, I have the honour to forward herewith for the information of Government a copy of letter No. S.I.214 dated 26th -- November 1934 received from the President, Mysore Co-operative Land Mortgage Bank, embodying the following proposals:-

(1) That the Bank may be authorised to issue a third series of debentures carrying interest at 4 per cent for a sum of Rs4 lakhs instead of Rs.2 lakhs as recommended by the Registrar.

(2) That Government may, subject to certain conditions, be pleased to take up out of this third series, debentures of the value of Rs.1,80,200/- so as to bring their total subscriptions to the debentures of the Bank to 2 lakhs of rupees.

(3) That Government may be pleased to reduce the rate of interest on the cash credit of Rs.50,000/- sanctioned to the Bank in their Order No. D.2386-8/LM 5-34-2 dated 27/29th September 1934 to 4 per cent per annum.

As regards (1) it is understood that the debenture capital raised by the Bank so far is Rs.2,81,000/-, that the Bank has, up to the end of November 1934, sanctioned loans to the extent of Rs.4,37,895/- out of which a sum of Rs.3,05,500/- only has been disbursed, and the balance of Rs.1,32,395/- will have to be issued in the near future as soon as the necessary documents are executed by the grantees. Moreover, the lending operations of the Bank have been recently extended to the Taluks of Chikballapur, Krishnarajanagar, Tiptur and Kolar, and the Sub-taluk of Turuvekere, and it is likely that the Bank will have to deal with a large number of applications for loans from these areas

DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

In view of the above, I recommend that Government may be pleased to accord sanction to the floatation of a III Series of debentures by the Bank at 4 per cent interest, for a sum of Rs.4 lakhs (instead of two lakhs as previously recommended by me) with the direction that the Bank should stop the issue of further bonds in the II series, (the unissued portion of the same being treated as cancelled), and not issue of debentures in the III series after one year from the date of the Government Order. As a sum of only Rs.2,81,000/- has so far been raised in respect of the I and II series of debentures, the total sum of Rs.6,81,000/- (inclusive of the III series) that would be raised by the Bank would be within the limit prescribed under byelaw No.17 (b) of the Bank's byelaws, as stated by the President.

As regards (2) and (3), the proposals of the President may be favourably considered.

I have the honour to be,

Sir,

Your most obedient servant,

M. S. [illegible]

Registrar.

AKM)7/12

DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

Letter No. S.I.214 dated 26th November 1934 from the President, Mysore Co-operative Land Mortgage Bank, Ltd., Bangalore City, to the Registrar of Co-operative Societies in Mysore, Bangalore.

With reference to your memo No.4144 CS dated 15th instant forwarding a copy of your letter to Government in the matter of the cancellation of Rs.2 lakhs out of the amount for which the second series of this Bank's debentures carrying interest at 4½ per cent have been authorised to be issued, and the issue of a new series for 2 lakhs at 4 per cent, I have the honour to state that, under byelaw No.17 (b), the Bank can raise funds by the issue of debentures or otherwise to the extent of 16 times its subscribed share capital plus reserve fund; but even taking only the paid up capital and reserve fund which together amount to something over Rs.52,000 as detailed in the margin, it can raise debentures to the extent of about Rs.8,20,000 at present. As against this amount debentures have been issued for a sum of Rs.2,81,000 as noted below* and the question of issuing them at a premium of about 7 per cent for a further sum of Rs.32,000 for which an application has been received from the Comptroller is under correspondence with him. If this also is taken into account, the total comes to Rs.3,13,000 and it is permissible for the Bank to issue further debentures for an additional sum of about 5 lakhs under its byelaws.

(a) Share capital (paid up)	Rs.47,020
(b) Reserve Fund (including the amount proposed to be credited to Reserve out of last year's profits and also forfeited share amount to be credited to Reserve)	about Rs. 5,000
Total	Rs.52,020

*1. Total amount raised from the 1st series @5% Rs.2,18,500

2. do. II series @ 4½% 62,500

Rs.2,81,000

2. In view of the fact that a premium of not less than Rs.6 has been realised on the 4½% debentures, recently issued by the Bank,

DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

6

and that since these debentures were sanctioned by Government, there has been a fall in the bank rates of interest so that the 3½ per cent loan recently floated by Government was heavily over-subscribed, I fully agree with the proposal contained in your letter to Government for the issue of a fresh series of debentures by the Bank at 4 per cent. With regard to the amount, however, for which these fresh debentures are to be issued, as I do not consider it likely that there will be any further fall in the interest rates and as it is desirable that advantage should be taken of the present rates before it shows a tendency to rise, I request that sanction of Government may be obtained for issuing the new series of debentures at 4 per cent for a sum of Rs.4 lakhs instead of 2 lakhs only as recommended by you.

3. With regard to the amount of debentures to be taken up by Government, I beg to invite your reference to para 5 of Government Order No. G.11438-11/Sany.30-26-7 dated 10th April 1928 and to state that as against the two lakhs of Rupees agreed to therein to be invested by Government in the Bank's debentures in the first two years unconditionally, and an additional sum of three lakhs undertaken to be invested "in amounts equal to the amount raised by the Bank in any particular year", debentures for a sum of only Rs.19,800 have so far been issued to Government as against Rs.2,61,200 taken up by the public up to date. In the circumstances, I request that Government may be kindly moved to take up debentures in the new 4 per cent series now proposed to be issued for a sum of Rs.1,80,200 making a total of 2 lakhs on the understanding that, unless the Government are particularly desirous of investing their money in these debentures for the whole of the above amount, the debentures to be issued to them will be limited only to the extent that subscriptions from the public fall short of the authorised amount, and that the amount will be drawn not at once but in instalments as and when actually required for payment.

DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

4. I also request that in view of the present conditions of the money market, sanction of Government may be obtained for the interest payable on the cash credit of Rs.50,000 allowed to the Bank as per Government Order No. D.2386-8/LM 5-34-2 dated 27/29th September 1934 being reduced to 4 per cent per annum.

"Copy"

Registrar.

AKM)7/12

Proceedings of the Government of H.H. the Maharajá of Mysore.

Read:-

G.O.No.G.12215-8/L.M.21-29-2 dated 11th April 1930 authorising the Mysore Co-operative Land Mortgage Bank to issue debentures to the extent of Rs.3 lakhs subject to certain conditions.

2. G.O.No.D.2624-27/L.M.2-33-7 dated 30-11-1933 authorising the Land Mortgage Bank to issue a 2nd series of debentures to the extent of Rs.2½ lakhs at 4½ per cent interest.

3. G.O.No.D.2386-8/L.M.5-34-2 dated 29-9-1934 sanctioning a cash credit of Rs.50,000/- to the Land Mortgage Bank under certain conditions.

4. Letter No.4143/CS dated 15-11-34 from the Registrar of Co-operative Societies, recommending sanction to the issue of a third series of debentures to the extent of Rs.2 lakhs at 4 per cent interest by the Land Mortgage Bank.

5. Letter No.4759/CS dated 8-12-34 from the same officer seeking sanction to the issue of debentures to the extent of Rs.4 lakhs in modification of the above recommendation.

ORDER NO: D 45-34-38
L.M 16-34-3

Dated, Bangalore, the 18th Dec 1934

In the first two orders read above, sanction was accorded to the issue by the Land Mortgage Bank of debentures to the extent of Rs.3 lakhs and 2½ lakhs at 5 and 4½ per cent interest respectively free of in-

cometax

income-tax and Government also agreed to invest a lakh of rupees in each of the two series of debentures if the required amount was not realised from the public.

The Registrar reports that the debenture capital raised by the Bank so far is Rs.2,81,000 and that the Bank has up to the end of November 1934 sanctioned loans to the extent of Rs.4,37,895, of which only a sum of Rs.3,05,500 has been disbursed and the balance of Rs - Rs.1,32,395 will have to be issued in the near future. With a view to enable the Bank to meet this liability and also to deal with applications from four more Taluks to which the Land Mortgage Scheme has recently been extended, the Registrar seeks sanction to the floatation of a 3rd series of debentures by the Bank to the extent of Rs.4 lakhs at 4 per cent interest subject to the condition that the Bank should stop the issue of further bonds in the 2nd series, the unissued portion of the same being treated as cancelled and that it should not issue debentures in the 3rd series after one year from the date of the Government Order.

Government are pleased to approve of the proposals of the Registrar and sanction the floatation of a third series of Debentures by the Land Mortgage Bank for a sum of Rs. 4 lakhs at 4 per cent per annum free of income tax, the other conditions of issue being the same as those governing the issue of the second series.

(10)

Government agree to take up debentures of the value of Rs.1,80,200 at 4 per cent in this new series as recommended by the Registrar, subject to the condition that the debentures to issued to them will be limited only to the extent that subscriptions from the public fall short of the authorised amount and that the amount will be drawn in instalments as and when actually required for payment.

The Land Mortgage Bank which will now receive money at 4 per cent should reduce ~~its lending rate~~ the rate it charges to about 6 per cent, the exact rate being fixed by the Registrar of Co-operative Societie after discussion with the Bank.

Government regret that they cannot agree to the request for the reduction in the rate of interest on the cash credi of Rs.50,000/- granted to the Bank.

Secretary to Govt.
Dev: Deptt.

To -

The Registrar of Co-operative Societi
" Comptroller to Government.
" Revenue Commissioner-
" President, Land Mortgage Bank.

S.R.

P.S 22-7-1

App. F VI G 10.

Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE DEPARTMENTS

Debentures of the Land mortgage Bank, ...
chins, under certain conditions, the issue of ~~too~~
a third series of —— to the extent of Rs 4 Lakhs.

G. O. No. D 4535-38
L.M 16-34-3 DATED 18th January 1935

May this be

i. printed ? Yes - 100 Copies

ii. treated as a standing order ? No.

iii. published in the Gazette English Part ? No

iv. translated ? No

v. placed at the disposal of the press ? No

iv. published in the Gazette Kannada Part ? No

Submit for orders
23/1

dcs
23/1/35

Government of his highness the Maharaja of Mysore.

GENERAL AND REVENUE DEPARTMENTS.

G. O. No. D. 4535-38—L. M. 16-34-3, dated 18th January 1935.

Debentures of the Land Mortgage Bank.

Sanctions under certain conditions, the issue of a third series of ——, to the extent of Rs. 4 lakhs.

READ—

Government Order No. G. 12215-8—L. M. 31-29-2, dated the 11th April 1930, authorising the Mysore Co-operative Land Mortgage Bank to issue debentures to the extent of Rs. 3 lakhs subject to certain conditions.

2. Government Order No. D. 2624-27—L. M. 2-33-7, dated the 30th November 1933, authorising the Land Mortgage Bank to issue a second series of debentures to the extent of Rs. 2½ lakhs at 4½ per cent interest.

3. Government Order No. D. 2386-8—L. M. 5-34-2, dated the 29th September 1934, sanctioning a cash credit of Rs. 50,000 to the Land Mortgage Bank under certain conditions.

4. Letter No. 4143—C. S., dated the 15th November 1934, from the Registrar of Co-operative Societies in Mysore, recommending sanction to the issue of a third series of debentures to the extent of Rs. 2 lakhs at 4 per cent interest by the Land Mortgage Bank.

5. Letter No. 4759—C. S., dated the 8th December 1934, from the same officer seeking sanction to the issue of debentures to the extent of Rs. 4 lakhs in modification of the above recommendation.

ORDER No. D. 4535-38—L. M. 16-34-3, DATED BANGALORE, THE 18TH JANUARY 1935.

In the first two orders read above, sanction was accorded to the issue by the Land Mortgage Bank of debentures to the extent of Rs. 3 lakhs and 2½ lakhs at 5 and 4½ per cent interest respectively, free of income-tax and Government also agreed to invest a lakh of rupees in each of the two series of debentures if the required amount was not realised from the public.

The Registrar reports that the debenture capital raised by the Bank so far is Rs. 2,81,000 and that the Bank has up to the end of November 1934, sanctioned loans to the extent of Rs. 4,37,895, of which only a sum of Rs. 3,05,500 has been disbursed, and the balance of Rs. 1,32,395 will have to be issued in the near future. With a view to enable the Bank to meet this liability and also to deal with applications from four more taluks to which the Land Mortgage Scheme has recently been extended, the Registrar seeks sanction to the floatation of a third series of debentures by the Bank to the extent of Rs. 4 lakhs at 4 per cent interest subject to the condition that the Bank should stop the issue of further bonds in the second series, the unissued portion of the same being treated as cancelled and that it should not issue debentures in the third series after one year from the date of the Government Order.

Government are pleased to approve of the proposals of the Registrar and sanction the floatation of a third series of debentures by the Land Mortgage Bank for a sum of Rs. 4 lakhs at 4 per cent per annum free of income-tax, the other conditions of issue being the same as those governing the issue of the second series.

Government agree to take up debentures of the value of Rs. 1,80,200 at 4 per cent in this new series as recommended by the Registrar, subject to the condition that the debentures to be issued to them will be limited only to the extent that subscriptions from the public fall short of the authorised amount and that the amount will be drawn in instalments as and when actually required for payment.

No. D. 4535-38—L. M. 16-34-3, DATED 18TH JANUARY 1935.

The Land Mortgage Bank which will now receive money at 4 per cent should reduce the rate it charges to about 6 per cent, the exact rate being fixed by the Registrar of Co-operative Societies after discussion with the Bank.

Government regret that they cannot agree to the request for the reduction in the rate of interest on the cash credit of Rs. 50,000 granted to the Bank.

M. VENKATANARANAPPA,
Secretary to Government,
Development Department.

To—The Registrar of Co-operative Societies in Mysore.
The Comptroller to Government, through the Financial Secretariat.
The Revenue Commissioner in Mysore.
The President, Land Mortgage Bank, Bangalore.

Exd.—C. K.

WD 1206—GPB—325—28-1-35

G. R. S. App. F VI—G 2]

SUBJECT .....

.....

.....

Diary. No of letter replied to .....

General and Revenue Secretariat

( )

the *193* .

Date of issue..... 193 .

Signed by .....

G.O. No G. 12215-8/L.M. 21-28-2 dated 11th April 1930 authorising the Mysore Co-operative L.M. Bank to issue debentures to the extent of Rs 3 lakhs subject to certain conditions.

May this be—

(i) printed ?

(ii) treated as a standing order ?

(iii) published in the Gazette, English Part ?

(iv) translated ?

(v) placed at the disposal of the press ?

(vi) published in the Gazette, Kannada Part ?

Section L.M.

File No. 16-34

Serial No.

Proceedings of the Government of His Highness the Maharaja of Mysore.

Read—2. G.O. no D 2624-27/L.M 2.33-7 dt 30-11-33, ~~sanctioning the floatation of the Second Series~~ authorising the ~~of Debentures of the Mysore Co-operative~~ Land Mortgage Bank Ltd. Bangalore to issue the 2nd series of debentures to the extent of Rs 2½ lakhs at 4½ p.c. interest.

3 G.O. no D 2386-8/L.M 5.34-2 dt 29-9-1934 sanctioning a Cash credit of Rs 50,000 to the L.M. Bank under certain conditions.

3. Letter no 61/43 C.S. dt 15/11/34 ~~and Letter no 4259 C.S. dt 8/12/34~~ from the Registrar C.S., recommending ~~the~~ sanction may be accorded to the following proposals of the

Sanction to the issue of a third series of debentures to the extent of Rs 2 lakhs at 4 p.c. interest by the L.M. Bank

4. Letter No 4259/C.S. dated 8/12/34 from the same officer seeking sanction to the issue of debentures to the extent of Rs 4 lakhs in modification of the above recommendation.

Land Mortgage Bank:

(i) That the Bank may be authorised to issue a third Series of debentures carrying interest at 4 per cent for a sum of Rs 4 lakhs.

(ii) That Govt may, subject to certain conditions, take up out of this series, debentures of the value of Rs 1,80,200, so as to bring their total subscriptions to the debentures of the Bank to Rs 2 lakhs.

(iii) That Govt may reduce the rate of interest on the Cash Credit of Rs 50,000 sanctioned to the Bank in the second of the G.O's read above from 4½% to 4%.

Order No:

Govt are pleased to approve of the proposals of the Registrar and sanction the floatation of a Third Series of Debentures by the

In the first two orders read above, sanction was accorded to the issue by the L.M.Bank of debentures to the extent of Rs 3 lakhs and Rs 2½ lakhs at 5 and 4½ p.c. interest free of income tax and Govt. also agreed to invest a lakh of rupees in each of the two series of debentures if the required amount was not realised from the public.

The Regr reports that the debenture capital raised by the Bank so far is Rs. 2,81,000 and that the Bank has up to the end of Nov 1934 sanctioned loans to the extent of Rs 4,37,895 of which only a sum of Rs. 3,05,500 only has been disbursed and the balance of Rs 1,32,395 will have to be issued in the near future. With a view to enable the Bank to meet this liability and also to deal with applications from four more Taluks to which the L.M. Scheme has recently been extended, the Registrar

has applied for sanction to the floatation of a 3rd series of debentures by the Bank at 4 p.c. interest to the extent of Rs 4 lakhs at 4 p.c. interest subject to the condition that the Bank should stop the issue of further bonds in the 2nd series, the unissued portion of the same being treated as cancelled and it should not issue debentures in the 3rd series after one year from the date of the Govt. Order.

List of Enclosure

Copied by

Examined by

G. R. S. App. F. G. 3.

GENERAL AND REVENUE SECRETARIAT.

(*Continuation sheet draft form.*)

L. M. Bank for a sum of £ 4 Lakh at 4% per annum free of income tax, the other conditions of issue being the same as those governing the issue of the Second Series.

The unissued portion of the Second Series of debentures will be cancelled.

Govt agree to take up debentures of the value of £ 180,20 at 4% in this new series as recommended by the Registrar, ~~the~~ subject to the condition that the debentures to be issued to them will be limited only to the extent that subscriptions from the public fall short of the authorised amount and that the amount will be drawn ~~as at once but~~ in instalments as and when actually required for payment.

The Land mortgage Bank which will now receive money

WD 0255—GPB—10,000—23-8-32

4% should reduce its lending
rate to about 6%, the exact rate
may be fixed by the Registrar of Cooperative
Societies after discussion with the Bank.

Govt. regret that {they cannot agree to the request for
the reduction in the rate of interest
on the Cash Credit {~~Overdraft~~ Cr. Rs 50,000 granted to the Bank
~~fixed by~~

dcg 28/1/35
Dewsbery

The Registrar of C.S
" Comptroller to Govt
" Revenue Commissioner
" President L.M. Bank.